

109TH CONGRESS  
1ST SESSION

# H. R. 1048

To amend the Internal Revenue Code of 1986 to allow taxpayers to split refunds and make deposits electronically among certain accounts.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 2, 2005

Mr. EMANUEL (for himself and Mr. COOPER) introduced the following bill;  
which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow taxpayers to split refunds and make deposits electronically among certain accounts.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Direct Deposit Savings  
5       Act of 2005”.

6       **SEC. 2. SPLIT REFUNDS WITH ELECTRONIC FUNDS TRANS-**  
7       **FER.**

8       (a) IN GENERAL.—Section 6402 of the Internal Rev-  
9       enue Code of 1986 (relating to authority to make credits

1 or refunds) is amended by adding at the end the following  
 2 new subsection:

3 “(g) SPLIT REFUNDS.—In the case of any overpay-  
 4 ment to be refunded to the taxpayer after the application  
 5 of subsections (a), (b), (c), (d), and (e), the taxpayer may  
 6 direct that the amount to be refunded—

7 “(1) be paid in part by check, draft, or similar  
 8 paper instrument, and

9 “(2) be allocated in part among not more than  
 10 4 accounts and deposited by electronic fund transfer  
 11 (within the meaning of section 5061(e)(2)) in the ac-  
 12 counts to which allocated.

13 Amounts may be deposited under paragraph (2) in a  
 14 qualified financial institution (as defined by section  
 15 165(l)(3)) or an individual retirement plan.”.

16 (b) TIME WHEN CONTRIBUTIONS DEEMED MADE.—  
 17 Paragraph (3) of section 219(f) of such Code (relating to  
 18 time when contributions deemed made) is amended by in-  
 19 serting before the period at the end the following: “or is  
 20 made by direct deposit pursuant to the direction of the  
 21 taxpayer under section 6402(g) on a return timely filed  
 22 (not including extensions thereof)”.

1       (c) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall apply to taxable years beginning after  
3 the date of the enactment of this Act.

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